

Message Text

CONFIDENTIAL

PAGE 01 ADDIS 06591 101459Z

43

ACTION AF-18

INFO OCT-01 ISO-00 PM-07 NSC-07 SP-03 SS-20 RSC-01 CIAE-00

INR-10 NSAE-00 DODE-00 AID-20 IGA-02 EB-11 L-03 DRC-01

MC-02 /106 W

----- 097495

R 101418Z JUN 74

FM AMEMBASSY ADDIS ABABA

TO SECSTATE WASHDC 9424

INFO USCINCEUR

C O N F I D E N T I A L ADDIS ABABA 6591

E.O. 11652: GDS

TAGS: PFOR, MASS, ET, US

SUBJECT: IEG ARMS PURCHASES

REF: A. ADDIS 6466; B. STATE 116093; C. ADDIS A-169 OF
SEPT 5, 1973

1. DATA RELEASED BY NATIONAL BANK OF ETHIOPIA COVERING END OF
APRIL 1974 INDICATES THAT FOREIGN RESERVE HOLDINGS CALCULATED
ON SAME BASIS AS PARA 4 REF A/STOOD AT US \$241 MILLION.

JWM IN EMBASSY VIEW THIS REPORTED US\$20 MILLION INCREASE I
IEG RESERVES DURING APRIL REPRESENTS SEASONAL TRANSFER OF EXPORT
RECEIPTS FROM COMMERCIAL BANKING SYSTEM TO NATIONAL BANK (SEE
REF C FOR ANALYSIS) COUPLED WITH STAGNATION IF NOT ACTUAL DECLINE
IN NORMAL PAYMENTS FOR IMPORTS ATTRIBUTABLE TO CONCURRENT
POLITICAL INSTABILITY.

3. IMPLICATION ABOVE DATA IS THAT HIGH EXPORT EARNINGS COUPLED
WITH WEAK IMPORT DEMAND HAS UNTIL AT LEAST END OF APRIL AVOIDED NEED
DRAW ON RESERVES TO FINANCE ADDITIONAL CRUDE OIL IMPORT
COSTS. ALTHOUGH RESULTING SITUATION REFLECTS ECONOMIC
WEAKNESS RATHER THAN HEALTH, DATA TENDS CONFIRM ANALYSIS
REF A AS TO IEG CAPACITY FUND/PROPOSED ARMS PURCHASES.

WYMAN

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 ADDIS 06591 101459Z

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MILITARY EQUIPMENT, MILITARY ASSISTANCE, MILITARY SALES
Control Number: n/a
Copy: SINGLE
Draft Date: 10 JUN 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: smithrj
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974ADDIS06591
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D740148-0901
From: ADDIS ABABA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740661/aaaacajm.tel
Line Count: 60
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION AF
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: A. ADDIS 6466; B. STATE 116093; C. A, DDIS A-169 OF
Review Action: RELEASED, APPROVED
Review Authority: smithrj
Review Comment: n/a
Review Content Flags:
Review Date: 28 AUG 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <28 AUG 2002 by cunninfx>; APPROVED <06 MAR 2003 by smithrj>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: IEG ARMS PURCHASES
TAGS: PFOR, MASS, ET, US
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005